

L&PS New Jersey Department of Law and Public Safety

Division of Gaming Enforcement
Office of the Attorney General
David Samson, Attorney General
Thomas Auriemma, Acting Director

FOR IMMEDIATE RELEASE:
June 11, 2002

FOR FURTHER INFORMATION CONTACT:
Kerry Hand, DGE, (609) 441-2533, Pager # (609) 229-2198

New Jersey Settles Internet Sports Betting Suits

TRENTON - Today Attorney General David Samson and Acting Director of the Division of Gaming Enforcement, Thomas Auriemma, announced that settlements have been reached in two of seven civil lawsuits filed on October 16, 2001, which sought to enjoin defendants from accepting wagers on various professional and collegiate sporting events from individuals or entities located in New Jersey.

In a civil action filed on October 16, 2001, State v. www.intercasino.com et al., Dkt. No. MER-C-161-01, the State entered into a Settlement Agreement with various defendants. Two companies, www.intercasino.com, CryptoLogic and WagerLogic, f/k/a Intertainet Overseas Licensing Limited, have agreed that any licensing or related agreements CryptoLogic and WagerLogic may enter into in the future will contain a provision prohibiting licensees such as [intercasino.com](http://www.intercasino.com) or any other entity or individual with which WagerLogic or CryptoLogic contracts, from accepting sports bets from persons located within New Jersey unless and until it becomes legal to do so.

In another action filed on October 16, 2001, State v. www.intertops.com et al., Dkt. No. MER-C-163-01, defendants have agreed to implement and maintain in good faith measures designed to prevent individuals operating computers in New Jersey from placing wagers on a variety of professional and collegiate sports on www.intertops.com and any other Internet site that they now or in the future may own or control, until such time as such wagers are expressly permitted by New Jersey and United States law or regulations. Defendants' measures consist of a notice on the Internet site that no such wagers from New Jersey users will be accepted and that any winnings earned from such wagers by New Jersey users will be forfeited to the Internet site or to a third-party charity.

The settlement also provides that all players must register and provide an account address, that any player account for which a New Jersey address is provided will be rejected, that any credit card transaction in which the credit card billing address does not match the player account address will be rejected and that requests for payment of any

winnings to be mailed to a New Jersey address, post office box or mailing address that is different from the account address will be refused.

"These settlements are an important step in protecting the citizens of New Jersey from the dangers of gambling on unregulated Internet websites that are not held to the stringent regulatory standards of our Atlantic City casinos," said Attorney General Samson.

In both cases, the State agreed to dismiss the pending lawsuits and not to bring any action or suit against these defendants concerning sports wagering transactions as alleged in the complaints and through the date of the agreements. However, all defendants accepted the jurisdiction of the Court, which can enforce the terms of the settlement.

The State has served or is in the process of serving other defendants in the other lawsuits filed in October, all of which seek to enjoin defendants from accepting wagers on various professional and collegiate sporting events from individuals or entities located in New Jersey, and three lawsuits filed on June 18, 2001, which sought not only to enjoin defendants from accepting such wagers but also to enjoin them from accepting wagers from minors as well as advertising their illegal activities in New Jersey.

"Internet gambling remains illegal in New Jersey," said Division of Gaming Enforcement Acting Director Auriemma, "and the state will continue to pursue all pending Internet gambling actions vigorously."

There are also several Internet gambling related bills pending in the New Jersey Legislature.

On March 18, 2002 a joint resolution was proposed in the Assembly for the formation of an Internet Gaming Study Commission which would consist of legislators, Executive Branch officials, and members of the public with expertise or interest in gaming in this state. The Commission, if enacted, would conduct a comprehensive study of the social and economic impact of legalizing Internet gambling in New Jersey.

###